

Cogent Skills Limited
Annual Report and Financial Statements
for the year ended 31 December 2020

Company Registered number: 09361100

Charity Registration Number: 1166082

Cogent Skills Limited

Annual report and financial statements

for the year ended 31 December 2020

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Cogent Skills Limited

Strategic report for the year ended 31 December 2020

The trustees, who are also directors of the charitable company, present their strategic report on the Cogent Skills Limited group for the year ended 31 December 2020.

1. Review of business

Cogent Skills Limited occupies a unique position in the skills landscape. At the very heart of our business, and key to our success is our relationships with people who share our passion for skills. Together, we aim to be partner of choice, for employers in the science industries, helping them to grow the skills and secure the standards, supporting them through good, tough and uncertain times.

With a strong performance in 2019 and a robust start to 2020, Cogent Skills entered the COVID-19 crisis from a position of strength. Yet, despite the resilience within the sectors we serve, the economic uncertainty caused unprecedented levels of disruption to our everyday way of life and our business throughout much of the year.

Our first priority during this time was to take care of our people and our learners. We adapted quickly as the situation developed, following Government guidance, to protect the health and wellbeing of all concerned.

In areas of the business most severely impacted, we took action to protect as many jobs as possible, mitigating a significant proportion of our costs through take up of Government furlough schemes.

The pandemic has accelerated the digitalisation of many businesses, ours included. Our adoption of virtual classrooms, on-line assessments and video conferencing meant many areas of our business were able to keep operating, offering service continuity to our customers despite the disruption.

Our Membership Business Unit provides a strategic skills proposition to both science industry and nuclear employers. The Science Industry Partnership (SIP) includes some of the most recognised names in our sector, who have agreed to collaborate to improve the outlook for skills in our industry. As an employer-led representative voice, extending our reach and influence requires strength in numbers. To that extent, work on updating our SIP membership proposition so that we can continue to attract and retain new members, started in 2020 and will continue into the first half of 2021.

The Nuclear Skills Strategy Group (NSSG) represents all parts of the nuclear sector both civil and defence. This year saw the appointment of a New Chair and a range of high profile activities as the group continued to deliver on its Strategic Plan, and to work with Government for action on commitments made in the Nuclear Sector Deal.

The year was challenging for our Courses and Consultancy business, with the pandemic having a profound impact across the training industry as a whole. However, the switch to flexible and increasingly digital delivery methods, ensured high profile projects remained interruption free. Like our own business, our customers have adapted to a challenging trading environment, and the expectation that any lost revenue is subject to deferment rather than cancelled, fuels optimism for business unit growth in 2021.

During 2020, we also welcomed Justine Fosh as our new CEO, replacing Joanna Woolf who after fourteen years leading the group took over as Cogent Skills Chair. Building on that success, whilst adapting to the impact of the pandemic will be key to positioning the Group well for the future.

The results on page 18 show a net income of £237,000 (2019: £79,000) with total income of £10,333,000 (2019: £10,523,000).

COVID-19 update

Covid-19 had an impact on trading in 2020 particularly within our membership and training activities as government restrictions were extended. Income streams were mainly affected where site access restrictions were in place. During 2020, we utilised the government's job retention scheme to support employment numbers during these restrictions. It is recognised as income in the period in which it becomes receivable within 'Other trading activities' (note 3).

Whilst Covid-19 will continue to have an impact during 2021 as restrictions have been extended, we are seeing an increased determination from our customers to engage with us. We enter 2021 with positive signs that the public health crisis is easing and we remain cautiously optimistic for growth.

Cogent Skills Limited

Strategic report for the year ended 31 December 2020 (continued)

1. Review of business (continued)

We have taken actions to mitigate the impact of Covid-19 and continue to utilise the Government's job retention scheme in the businesses that require this support.

Coronavirus Business Interruption Loan Scheme (CBILs)

SIAS accessed the bank loan for £240,000 in September 2020, interest is charged at 2.48% above the Bank of England base rate. The UK government guarantees 80% of the finance to the lender and pays interest and any fees for the first 12 months, after this SIAS is liable for all interest payments for the remaining five years of the loan.

2. Strategic objectives

Cogent Skills is a group of companies comprised of Cogent Skills, Cogent SSC, Cogent Skills Services, Cogent Skills Training, NSAN and SIAS. Collectively these companies' purpose is entirely focused on skills and supporting the skills needs and ambitions of individual employers and their employees. Cogent Skills is sector based, working with companies from across the Science Industries embracing Life Sciences, Industrial Sciences and Nuclear. Cogent Skills is owned by the leading Science Industry Trade Associations.

Cogent Skills Mission

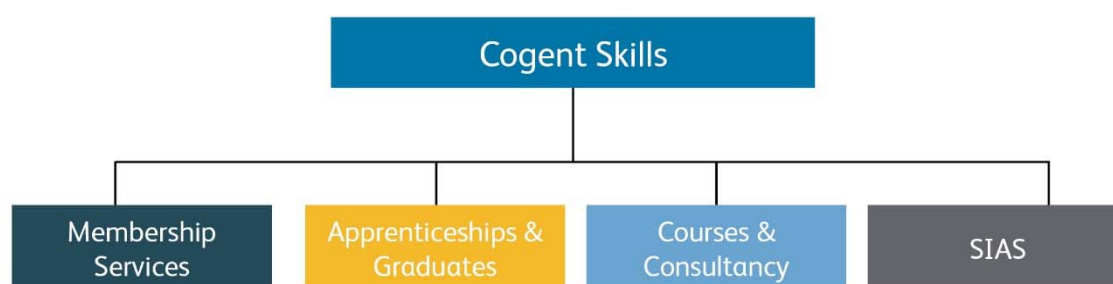
Our mission is to be: -

The Skills and Talent Partner for Science Industry Companies - Developing today's workforce, creating tomorrow's.

To support future growth and business simplification we have identified key strategic objectives focussed on improving the way in which we communicate with our customers, and how we leverage customer intelligence across our business. Through improved understanding of our audiences, we can better connect to the needs of our customers to deliver a coherent and consistent customer experience.

Business Units

Cogent Skills operates through four Business Units each with a unique service offering. Our subsidiary, the National Skills Academy for Nuclear (NSAN) operates distinctly with its own Business Plan and Board. The Businesses seek to support each other, unlocking synergies where possible, to benefit our customers and improve bottom line performance.



Cogent SSC Limited encompasses the business units of membership services and part of the apprenticeship delivery.

Cogent Skills Services Limited is the ATA part of the apprenticeship and graduates business unit.

Cogent Skills Training Limited consists of the apprenticeship delivery part of the apprenticeship and graduate business unit along with the courses and consultancy business unit.

SIAS Limited is the end assessment business unit.

Cogent Skills Limited

Strategic report for the year ended 31 December 2020 (continued)

3. Development and performance

Membership Business Unit

Science Industry Partnership (SIP)

The SIP provides one influential voice on skills to Government, ensuring the science sector is heard and understood. The SIP Futures group continues to lead on the 2030 Skills Strategy, coordinating the delivery of a number of ambitious, actions to contribute towards the ‘people’ pillar of the Life Sciences Industrial Strategy.

Despite the global pandemic and fiscal tightening, SIP membership remained buoyant, demonstrating positive levels of retention and growth, underpinned with the recruitment of six new members.

The SIP continues to work to ensure the apprenticeship system accurately reflects the needs of employers, with a National Apprenticeship Survey and the launch of a new Apprenticeship Strategy during the year.

SIP local groups in the North East, Cambridge and Liverpool met throughout the year in a virtual setting and continue to offer employers a valuable opportunity to collaborate on skills in the communities in which they serve. That local footprint is set to expand with the addition of SIP West Midlands in 2021 focussing on the Health Tech & Med Tech sectors. In partnership with The Greater Birmingham and Solihull Local Enterprise Partnership (GBSLEP) the employer-led group will drive a local / collaborative approach to sharing best practice, addressing skills needs and growing apprenticeship and graduate numbers in the region.

Looking ahead, a key focus for SIP membership will be to develop a refreshed offer for industrial science companies and a research exercise to understand how we can better serve the needs of employers is underway.

Nuclear Skills Strategy Group (NSSG)

The NSSG welcomed Corhyn Parr as new chair, taking over from Fiona Rayment OBE. A senior leader for the Nuclear Decommissioning Authority (NDA), Corhyn is a passionate advocate for skills in the sector and brings a wealth of experience as the group continues to deliver on its Strategic Plan and to work with Government for action on commitments made in the Nuclear Sector Deal.

The impact of COVID-19 meant attention and resource were more difficult to access, putting additional pressure on the NSSG secretariat. However, through the adoption of smarter ways of working, we have continued to keep the programme on track. A traditionally busy industry events calendar shifted to virtual delivery, including the Nuclear Industry Association (NIA) conference, for which NSSG provided speakers and exhibition material. Planning is now underway for NSSG’s own virtual ‘skills-festival’ taking place in 2021.

The NSSG Skills Summit in March ran in partnership with the Young Generation Network (YGN) and was the last face-to-face event prior to lockdown. This workshop session gave industry leaders an opportunity to share best practice around skills development and learn from others outside of our sector. The output led to key actions aligned to the Nuclear Sector Deal.

The NSSG Strategic Plan, updated and launched in December preceded the publication of the Government’s Energy White Paper and ten-point plan. Aligned to this, a Green Energy Taskforce has been set up, with the NSSG positioned to deliver against this going forward. This gives greater certainty about future of additional large-scale nuclear plants, smaller modular reactors, and advance technology developments including fusion.

A new strategic partnership between the NSSG and Women in Nuclear (WiN) represents an innovative approach to tackling workplace diversity. Publication of a Gender Roadmap sets out the key commitments required from industry to meet the ambitious target of a 40% nuclear sector female workforce by 2030.

An ongoing programme of webinars, driven by the needs of our members, offered skills insights and thought leadership on diverse issues around apprenticeships, and endpoint assessments. Meanwhile, the NSSG apprenticeship survey collected robust data samples from across industry with findings expected in the first half of 2021.

The NSSG’s Next Generation Nuclear Working Group is now utilising funding secured in 2019 to develop a virtual work experience curriculum for feeding into the T level programme, with a pilot phase set for 2021.

Cogent Skills Limited

Strategic report for the year ended 31 December 2020 (continued)

3. Development and performance (continued)

Also in pipeline is a project for greater nuclear visibility on the school curriculum through provision of quality online teaching and careers materials.

Standards

The SIP continues to facilitate and support the development of new apprenticeship standards to help drive the sector forward. Throughout 2020, the SIP has supported the revision of the following:

- Level 3 Laboratory Technician – approved and published
- Level 3 Science Industry Maintenance Technician
- Level 3 Science Manufacturing Technician
- Level 2 Science Manufacturing Process Operative

With the IfATE Engineering and Manufacturing route review postponed due to COVID-19 and outcomes of the consultation due in Autumn 21, the review groups are continuing to work on the revision of the three engineering standards to ensure each standard is relevant and fit for purpose.

National Occupational Standards (NOS) projects in the devolved nations continued to make good progress with several NOS suites translated into Welsh and a review of Northern Irish Apprenticeship Frameworks (Scientific Technologies and Polymer Operator/Technician). Cogent was also successful in winning the following Standards and Frameworks Contracts for 2020/2021:

- Review the Nuclear Decommissioning National Occupational Standards
- Review of the SCQF Level 6 Scottish Vocational Qualification in Process Industries Operations
- Develop 2 new Scottish Vocational Qualification to support the Life and Chemical Science Industries
- Develop 2 new Modern Apprenticeships to support the Life and Chemical Science Industries
- Translate the Facilities Management National Occupational Standards into Welsh

Apprenticeships and Graduates Business Unit

Trusted by some of the world's leading science companies, our apprenticeship and graduate business unit has been supporting employers to attract, retain and develop the very best talent since 2012.

Ensuring regulatory alignment sits at the centre of our operations remains a key focus, as we continue to embed a culture of compliance across the division with ongoing support from our Governance Committee.

Early in the year, Ofsted recognised the improvements to the quality of our provision, safeguarding and management systems, allowing the lifting of ESFA sanctions on Cogent Skills Training Ltd. Throughout the COVID-19 pandemic, we took significant steps to ensure continuity for our learners, resulting in positive feedback from employers following a further inspection in October.

Ongoing adoption of learner-focussed technology improved business resilience, allowing for continuity of service to apprentices through our virtual learning environment (VLE). The ability of virtual classrooms to impart expert knowledge and on-line assessments in an engaging user-friendly format won praise from Ofsted, employers and learners. To supplement remote delivery and to encourage tactile learning, physical resources, such as test kits were issued direct to learners.

A shift to video interviewing enabled the business to fill vacancies for ATA apprenticeship, graduate placement and apprenticeship delivery offers, and despite travel restrictions, uncertainty and confidence across Europe – 84% of advertised opportunities were filled despite difficult operating conditions.

We continue to deliver apprenticeships to our core industries at levels 2 and 3 for Science Manufacturing Process Operator, Science Manufacturing Technician and Laboratory Technician while delivering out to completion a small number of business administration and management apprenticeships.

The public health pandemic did however create difficult and unprecedented trading conditions. Apprenticeship learner starts, through our registered training provider Cogent SSC missed target by 50% (42 learners) and our Apprenticeship training agency starts, operated through Cogent Skills Services missed target by 30% (44 learners). Our graduate placement service delivered against target for number of starts whilst cost savings and contract extensions improved bottom line performance.

Cogent Skills Limited

Strategic report for the year ended 31 December 2020 (continued)

3. Development and performance (continued)

With continued pandemic led uncertainty factored into 2021 forecasts, the expectation of recovery and growth the following year remains. Re-development of our Laboratory Technician offer, the need to expand laboratory space and changes under the IfATE review of the science manufacturing technician standard are further drivers of change.

We will be launching a new delivery offer in April with a pilot group of employers who see great potential in the Process Leader level 4 to upskill their current workforce. We will further enhance our Governance Group with the inclusion of a learner voice, and continue to work towards a grade 2 Ofsted through our internal quality improvement plan while developing our staff and technology to offer the best possible support to our learners, placement students, ATA employees and our customers.

Courses and Consultancy Business Unit

Whilst a strong pipeline at the start of 2020 gave room for optimism, COVID-19 and subsequent lockdowns saw the continued postponement of courses and new consultancy projects.

As employers turned their focus to running sites safely with reduced staff, it became difficult to contact and engage in conversations about training. This reduced delivery capability throughout the year resulted in the loss of five months operational trading due to pandemic related restrictions.

To mitigate the impact, training delivery transferred to virtual channels, with staff upskilled on alternative digital platforms and new processes introduced to suit remote delivery. A series of web based networking events enabled us to engage more than 60 industry decision makers during the year.

We responded to the needs of our customers with a more flexible approach to delivery, utilising our associate network to protect existing margins.

Despite the disruption, delivery of 32 web-based courses and face-to-face training continued in situations where it was safe to operate. Delayed consultancy projects started coming back on line in Q4, and in particular, we were pleased to contract with National Grid for a large-scale project running through to December 2021.

A prudent approach to cost control, adoption of alternative technology and use of the temporary furlough scheme enabled business operations to continue and protect revenue streams.

As we enter 2021 with a healthy order book and positive signs that the public health crisis is easing, we remain cautiously optimistic for growth.

Science Industry Assessment Service

Despite the global pandemic impacting registrations, a combination of flexible delivery methods, an increase in the number of End Point Assessments (EPA's) to 381, and a strong pipeline ensured the SIAS business remained resilient. During a year which saw the 500th EPA delivered, the team also applied to deliver four new EPA's including Lean Manufacturing Operative, Engineering Operative, Maintenance and Operations Engineering Technician (MOET) and Research Scientist. Other significant developments in 2020 included a successful IfATE desk audit and an application for Ofqual recognition.

National Skills Academy for Nuclear

NSAN (National Skills Academy for Nuclear) is a subsidiary within the Cogent Group and well established as the collective and collaborative skills forum for the nuclear industry. Led by employers, from both civil and defence, NSAN provides valuable, cost-effective and practical skills solutions.

In addition to face-to-face support delivered by NSAN's team of regional Relationship Managers, the launch of a new digital membership platform enhances the member experience providing users with direct access to the latest industry insight.

During the year, NSAN also delivered the nuclear industry's twelfth annual UK Nuclear Skills Awards. Hosted by TV's Dallas Campbell, the event brought the nuclear industry together to celebrate the success and high achievement of individuals across a number of award categories, including Apprentice, Graduate, STEM, Subject Matter Expert and Equality, Inclusion and Diversity.

Cogent Skills Limited

Strategic report for the year ended 31 December 2020 (continued)

3. Development and performance (continued)

Cogent in the Devolved Administrations

As noted in the Standards section, during 2020 Cogent worked with a number of employers and interested organisations on the review, development and translation of qualification products as part of their Standards and Frameworks contract across all the Devolved Administrations - Scotland, Wales, England and Northern Ireland.

Cogent People

We recognise the tremendous commitment our employees make in serving our customers, and their enthusiasm to delivering outstanding work underpins operational delivery across the Cogent business.

The ASPIRE recognition scheme is for all Cogent employees and continues to provide recognition and reward for members of staff who go 'above and beyond' for our customers. We continue to hold quarterly Communication Days, now in a virtual setting, to bring all team members together for updates and discussions about business performance.

Looking Ahead

The Cogent Skills Business Plan outlines our approach to 2023, identifying several key growth opportunities. A sustainable return ensures delivery of the charitable objectives of the business with the goal to utilise commercial income to facilitate charitable good causes aligned to the interests of our customers and our people.

The adoption of a balanced score card approach balances financial measures with performance measures and objectives related to all other parts of the organisation.



4. Principal risks and uncertainties

The trustees consider the principal risks and uncertainties to be related to financial risk and these are discussed on page 12 in the Trustees' report.

Cogent Skills Limited

Strategic report for the year ended 31 December 2020 (continued)

5. Financial review

The group's performance during 2020 reflected a reasonable year in a challenging environment. We utilised government support through the Coronavirus Job Retention Scheme (CJRS) totalling £312,000, of which £91,000 was on behalf of other employers within our apprenticeship training agency (ATA) business. The results for the year show a net income of £237,000 (2019: £79,000). Total income decreased by 2 per cent to £10,333,000 (2019: £10,523,000) and total expenditure decreased by 3 per cent to £10,096,000 (2019: £10,444,000).

Cogent Skills Limited has not yet started trading.

Cogent SSC Limited made a deficit of £179,000 (2019: surplus of £114,000). Income was lower at £1,316,000 (2019: £2,372,000) mainly due to the SIAS business unit being transferred to SIAS Limited. Our membership income was similar to last year and we have budgeted for a resumption of growth during 2021.

Cogent Skills Services Limited (CSS) had a good year with a surplus of £108,000 (2019: £180,000) as this company now consists of just the apprenticeship training agency (ATA) business.

Cogent Skills Training Limited (CST) made a surplus of £36,000 (2019: deficit of £208,000). Total overheads were reduced through tight cost control and utilisation of staff within other areas of the group. CST also utilised £78,000 of CJRS support. The courses business had a challenging year during 2020 but ended the year on a positive note with a large contract win with National Grid.

NSAN, the nuclear academy, made a surplus of £124,000 (2019: deficit of £9,000) on income 14% higher of £1,212,000 (2019: £1,064,000). The surplus includes a R&D tax credit of £55,000 (2019: nil).

The Science Industry Assessment Service Limited (SIAS) made a surplus of £148,000 (2019: £2,000). SIAS is now on the register of assessment organisations and on 1 January 2020 the end point assessment operations were transferred from Cogent SSC Limited to Science Industry Assessment Service Limited (SIAS).

The group's accounting policies are set out in note 1 to the financial statements. These policies are consistent with the accounting policies applied in previous years.

Reserves policy

As at 31 December 2020, the unrestricted reserves of the group amounted to £1,166,000 (2019: £929,000). The target level of reserves of the charity is £1,600,000 representing a minimum six months operating costs and ensuring that sufficient funds are available to sustain the group. The reserves policy is reviewed annually.

Cogent aim to make surpluses over time to help preserve the viability of the charity and provide confidence to those providing funding that the charity is prudently controlled. At present, the trustees conclude that they have sufficient reserves to continue the activities of the charity at the current level. Taking into account the future activities, the impact of the Ofsted monitoring report and the economic uncertainty around Covid-19, the trustees expect to reach the targeted level of reserves within five years.

Going concern

Forecasts have been prepared through until December 2022 which take account of the impact of the current coronavirus pandemic, possible future developments and further disruption. Despite the continuing uncertainties surrounding the social distancing measures required for some of our activities and any further disruption caused by Government guidelines, the cash balances and available facilities are sufficient to remove any concerns over liquidity and the going concern basis of preparation of the accounts.

After reviewing the group's forecasts and projections, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

Income generation

Cogent's main sources of revenue are products and services delivered in the UK, employer contributions, project funding from government and other agencies.

Cogent Skills Limited

Strategic report for the year ended 31 December 2020 (continued)

5. Financial Review (continued)

Expenditure

The main expenditure continues to be remuneration costs amounting to 33 per cent (2019:33) of total expenditure.

Key performance indicators (“KPIs”)

Monthly management reports are produced, providing information on the key performance indicators of the business. These are reviewed at monthly team meetings and at Directors’ meetings. This facilitates the assessment and mitigation of risks and determines the future direction and activities required to meet targets. The KPIs on which the Group focuses are:

- Net surplus
- Cash balances
- Income streams

Approved by the board of trustees and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'J Woolf', with a horizontal line extending to the right.

J Woolf
Trustee

22 June 2021

Cogent Skills Limited

Trustees' report for the year ended 31 December 2020

The trustees present their report and the audited consolidated financial statements for the year ended 31 December 2020. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

1. Reference and administrative details

The charity, Cogent Skills Limited is registered with Companies House with Company registration number 09361100 and charity registration number 1166082 with the Charity Commission for England and Wales.

The directors of the charitable company are its trustees for the purpose of charity law. The trustees and officers serving during the year and up to the date of signing the financial statements were:

Chairman

J Woolf

Trustees

K Gorge

T Burke

S Elliott

S Earp

N Gardiner

C Parr

S Jones

K Woods-Ruddick

J Fosh appointed 4 May 2020

T Weston appointed 28 January 2021

C Reed appointed 19 April 2021

Other trustees who served during the financial year:

J Haigh resigned 14 April 2020

M Kenrick resigned 14 April 2020

E Smith resigned 8 April 2021

S Stewart resigned 8 April 2021

Principal Office

Unit 5

Mandarin Court

Centre Park

Warrington

WA1 1GG

Registered Office

Unit 5

Mandarin Court

Centre Park

Warrington

WA1 1GG

Chartered Accountants & Statutory Auditors

RSM UK Audit LLP

3 Hardman Street

Manchester

M3 3HF

Cogent Skills Limited

Trustees' report for the year ended 31 December 2020 (continued)

1. Reference and administrative details (continued)

Solicitors

GLP Solicitors
85 Chapel Street
Manchester
M3 5DF

Bankers

Bank of Scotland
31 High Street
Montrose
DD10 8LT

Cogent Skills Limited

Trustees' report for the year ended 31 December 2020 (continued)

2. Structure, governance and management

Governing document

Cogent Skills Limited (Cogent) is a company limited by guarantee with charitable status, registered with the Charity Commission for England and Wales. Cogent is governed by its Memorandum and Articles of Association to allow for its current governance arrangements. There are currently 7 members (2019:7), each of whom agrees to contribute £10 in the event of the charity winding up.

Activities

Cogent Skills Limited is on the register of charities in England and Wales with a number of charitable objectives around the educational, training and development needs of employers and employees in the science based industries. The company has not traded in the year but is expected to commence trading during 2021.

Cogent Skills plan to promote and organise co-operation between employers, employees, schools, providers, local authorities and other skills partners around training and education.

Cogent Skills is sector-based working with companies from across the science industries embracing life sciences, industrial sciences and nuclear. Cogent Skills has particular expertise in STEM and industry regulation with respect to skills and competence.

Cogent Skills Mission is to be – The skills and talent partner for science industry companies, developing today's workforce, creating tomorrow's.

Cogent Skills strategic objectives are:

- To have a pipeline of young people with the capability, drive and ambition to build a globally competitive science based industry in the UK; and
- To support the development of the existing workforce to acquire the skills needed to adopt new technologies and innovate new products and services.

The Cogent Group comprises Cogent Skills Limited, Cogent SSC Limited, Cogent Skills Services Limited (CSS), Cogent Skills Training Limited (CST), Science Industry Assessment Service Limited (SIAS), Cogent (Telford) Limited and National Skills Academy for Nuclear Limited (NSAN).

Cogent Skills Limited, Cogent SSC, CSS and SIAS work together to support the Science Industries under the new leadership of the Science Industry Partnership (SIP).

Cogent Skills Training Limited promotes and provides vocational education training and re-training to improve the skills of the science-based workforce and to promote the development of industry, commerce and enterprise of all forms primarily for the benefit of the science-based industries.

NSAN works independently and is the nuclear industry's leading, not for profit, membership organisation for the sourcing and provision of skills solutions.

The approach is evidence-based and employer-led, with the ambition to boost sector innovation, growth, and competitiveness through skills. Cogent Group solutions are adopted by every size of organisation, from SMEs through to global companies.

Appointment of trustees

As set out in the Articles of Association, the trustees are appointed by the members through the nominations committee. The nominations committee is made up of up to five trustees. It considers the requirement for specialist skills and appropriate representation when recommending trustees to the board. Each owner member of Cogent has the right to nominate trustees to the board such that each owner member will have no more than one representative trustee.

Cogent Skills Limited

Trustees' report for the year ended 31 December 2020 (continued)

2. Structure, governance and management (continued)

Training and induction for trustees

All trustees receive an induction pack on joining the Board which includes the Memorandum and Articles of Association, the Cogent business plan and annual report. Training for trustees takes place to brief them on their legal obligations under charity and company law.

Organisation

The Board of Trustees administers the charity. The Board meets quarterly and there are sub-committees covering nominations, finance and audit and remunerations, which meet as and when required. A Chief Executive Officer is appointed by the Board to manage the day to day operations of the charity. To facilitate effective operations, the Chief Executive Officer has delegated authority, within the terms of delegation approved by the trustees, for operational matters including finance and employment.

Key management personnel remuneration policy

Benchmarking exercises are conducted throughout the year for key personnel which involves reviewing other organisations within similar industries and within the charities and public sectors. The executive directors review the remuneration of key personnel and the remunerations committee reviews the remuneration of the executive directors. The remunerations committee also reviews bonus payments and the annual cost of living change for board approval.

Internal control

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. The trustees review the strategic plan and annual budget and approve the same. They consider the financial results on a regular basis including variances from budgets. The audit committee meets at least twice a year under its terms of reference.

Related parties

The charity has six wholly-owned subsidiaries – Cogent SSC Limited, Cogent (Telford) Limited, National Skills Academy for Nuclear Limited (NSAN), Cogent Skills Training Limited (CST), Cogent Skills Services Limited (CSS) and Science Industry Assessment Service Limited (SIAS).

Public benefit requirement

The charity trustees have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Commission.

Financial risk management

The following statements summarise the charity's policy in managing identified forms of financial risk:

Price risk: The charity negotiates grants to finance the charity's activities and incorporates this information into its business plans and budgets. Incremental increases to salaries are communicated to staff during the formal annual review of salaries. Prices of materials and services purchased are subject to contract with suppliers, based on current market prices.

Credit risk: Credit risk on amounts owed to the charity by its customers is low, as the majority of debtors are the government, large established employers and government funded providers.

Liquidity risk: The charity has no long term borrowing. The charity will make use of its overdraft facility if required.

Interest rate cash flow risk: The charity is able to place surplus funds on short term deposit with the group's bankers.

Cogent Skills Limited

Trustees' report for the year ended 31 December 2020 (continued)

3. Plans for future periods

We will continue establishing Cogent Skills as a membership organisation, Cogent Skills Training as a growing commercial skills training provider, Cogent Skills Services as an outsourced Apprenticeship and Internship service, SIAS as the end assessment organisation of choice and NSAN as the chosen skills solutions provider for nuclear companies.

Commercial Sustainability Objectives:

- Build our commercial businesses through the delivery of a highly regarded value proposition to Science Industry companies.
- A growing and vibrant membership base providing sector skills leadership through SIP & NSSG.
- Employers across the Science Industries and their employees are our customers

We have set ourselves a growth budget for 2023 with:

- 50 key customers at our heart
- £0.7m Membership Income
- 500 Apprentices and Placements in managed service or training
- Over 1,000 Apprentices end assessed with SIAS
- £1.2m from Course Sales and workforce development
- £1.3m NSAN business with a developing membership base

Whilst there are some uncertainties, the directors do not currently believe that the impact of Covid-19 will have a significant effect on the achievement of these plans.

It remains the Trustees' intention to transfer the membership services and corporate function activities of Cogent SSC Limited into Cogent Skills Limited during 2021.

4. Statement of disclosure of information to auditors

In so far as the trustees are aware at the time of approving our trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the group's auditors are unaware, and
- the trustees, having made enquires of fellow directors and the group's auditors that they ought to have individually undertaken, have each taken all the steps necessary as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418(1) of the Companies Act 2006.

5. Trustees' indemnities

As permitted by the Articles of Association, the Trustees have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Company also purchased and maintained throughout the financial year Trustees' and Officers' liability insurance in respect of itself and its Trustees.

Cogent Skills Limited

Trustees' report for the year ended 31 December 2020 (continued)

6. Statement of trustees' responsibilities

The trustees (who are also directors of Cogent Skills Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing the financial statements, these trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.


The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

7. Independent Auditors

The auditors, RSM UK Audit LLP, have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an AGM.

The Report of the Trustees and the Strategic Report were approved by the Board of Trustees on 22 June 2021.

On behalf of the Board



J Woolf
Trustee

Cogent Skills Limited

Independent auditors' report to the members and trustees of Cogent Skills Limited

Report on the financial statements

Our opinion

We have audited the financial statements of Cogent Skills Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated Summary Income and Expenditure Account, the Consolidated and Company Balance Sheets, and the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 December 2020 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

We have been appointed auditors under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Trustees' Report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Cogent Skills Limited

Independent auditors' report to the members and trustees of Cogent Skills Limited (continued)

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report and the Strategic Report prepared for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report or the Strategic Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 require us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 14, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

Cogent Skills Limited

Independent auditors' report to the members and trustees of Cogent Skills Limited (continued)

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the group and parent charitable company operate in and how the group and parent charitable company are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the parent charitable company's governing document, tax legislation, ESFA funding guidance, Ofsted requirements and the Apprenticeship Training Agency Framework.

We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from internal/external advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to ESFA funding guidance, Ofsted requirements and the Apprenticeship Training Agency Framework. Compliance with these requirements is required to remain on certain HM Government registers. We performed audit procedures to inquire of management and those charged with governance whether the group is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The group audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates.

A further description of our responsibilities for the audit of the financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Dale Thorpe (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
3 Hardman Street
Manchester
M3 3HF

Date: 25 June 2021

RSM UK Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Cogent Skills Limited

Consolidated Statement of Financial Activities for the year ended 31 December 2020

	Note	2020 £'000	2020 £'000	2019 £'000	2019 £'000
Income and endowments from:					
Charitable activities	5		3,053		2,955
Other trading activities	3		7,278		7,564
Investment income	4		2		4
Total income			10,333		10,523
Expenditure on:					
Raising funds: costs of goods sold and other costs	6		7,483		8,186
<i>Charitable activities:</i>					
Research, policy and engaging with employers	6	1,060		816	
Occupational standards, education and qualifications	6	1,540		1,414	
			10,083		10,416
Governance costs	6		13		28
Total expenditure	6		10,096		10,444
Net income			237		79
Fund balances brought forward at 1 January			929		850
Fund balances carried forward at 31 December			1,166		929

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The trustees consider all the fund balances as being unrestricted.

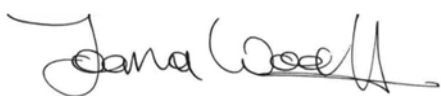
Cogent Skills Limited

Balance Sheets as at 31 December 2020

		Group		Company	
	Note	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Fixed assets					
Intangible assets	10	23	51	-	-
Tangible assets	11	43	41	-	-
Investments	12	-	-	140	140
Total fixed assets		66	92	140	140
Current assets					
Debtors	13	2,110	2,589	-	18
Money Market Deposit	25	600	450	-	-
Cash at bank and in hand		1,930	981	5	5
Total current assets		4,640	4,020	5	23
Creditors: amounts falling due within one year	14	(3,298)	(3,151)	(145)	(163)
Net current assets/ (liabilities)		1,342	869	(140)	(140)
Total assets less current liabilities		1,408	961	-	-
Creditors: amounts falling due after one year	15	(242)	(32)	-	-
Defined benefit pension scheme liability	17 & 20	-	-	-	-
Net assets		1,166	929	-	-
The funds of the Charity					
Unrestricted income funds	20	1,166	929	-	-
Total charity funds	21	1,166	929	-	-

The movement in the net funds of the group attributable to the parent charitable company was £nil (2019: £nil). The residual net movement of £237,000 (2019: £79,000) is attributable to subsidiary undertakings.

The financial statements on pages 18 to 41 were approved by the Board of trustees on 22 June 2021 and were signed on its behalf by:



J Woolf
Trustee
Company Registered Number 09361100
Charity Registration Number 1166082

Cogent Skills Limited

Consolidated income and expenditure account for the year ended 31 December 2020

Continuing operations	Note	2020 £'000	2019 £'000
Income			
Charitable income	5	3,053	2,955
Non-charitable trading activities income	3	7,278	7,564
Total income		10,331	10,519
Expenditure			
Charitable expenditure	6	2,613	2,258
Non-charitable trading activities expenditure	6	7,533	8,187
Total expenditure		10,146	10,445
Surplus for the financial year before interest and taxation		185	74
Interest receivable	4	2	4
Surplus for the financial year before taxation		187	78
Taxation on Surplus	2	50	1
Surplus for the financial year		237	79

The consolidated income and expenditure account is derived from the Consolidated Statement of Financial Activities.

Cogent Skills Limited

Consolidated cash flow statement for the year ended 31 December 2020

	Note	2020 £'000	2020 £'000	2019 £'000	2019 £'000
Net cash inflow\ (outflow) from operating activities	24		1,121		(584)
Return on investments and servicing of finance					
Interest received		2		4	
Net cash inflow from returns on investments and servicing of finance			2		4
Capital expenditure and financial investment					
Purchase of intangible fixed assets		-		(34)	
Purchase of tangible fixed assets		(24)		(32)	
Net money market deposits	25	(150)		50	
Net cash (outflow) for capital expenditure and financial investment			(174)		(16)
Net decrease in cash and cash equivalents			949		(596)
Cash and cash equivalents at the beginning of the year			981		1,577
Cash and cash equivalents at the end of the year	25		1,930		981

Cogent Skills Limited

Notes to the financial statements for the year ended 31 December 2020

1 Principal accounting policies

The financial statements have been prepared under the historic cost convention, on a going concern and accruals basis, in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities and preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2016) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements, is set out below.

Consolidation

The Statement of Financial Activities (SOFA) and balance sheet consolidate the financial statements of the charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis. A subsidiary is an entity controlled by the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. All Intra-group transactions are eliminated on consolidation. The accounting policies are uniform throughout the group with the exception of the capitalisation policy detailed on page 23.

As permitted by section 408(3) of the Companies Act 2006, the parent company's individual income and expenditure account has not been included in these financial statements as a primary financial statement. The parent company's result for the financial year was £nil (2019: £nil).

Going concern

Forecasts have been prepared through until December 2022 which take account of the impact of the current coronavirus pandemic, possible future developments and further disruption. Despite the continuing uncertainties surrounding the social distancing measures required for some of our activities and any further disruption caused by Government guidelines, the cash balances and available facilities are sufficient to remove any concerns over liquidity and the going concern basis of preparation of the accounts.

After reviewing the group's forecasts and projections, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

Company status

The company is a company limited by guarantee with charitable status.

Fund accounting

All funds are classed as unrestricted funds which are available for use at the discretion of the members in furtherance of the general objectives of the company and which have not been designated for other purposes.

Incoming resources

All incoming resources are included in the SOFA when the company is legally entitled to the income and the amount can be quantified with reasonable accuracy. Income includes grants receivable, investment income, membership fees and other commercial income which represents the invoiced value of goods and services supplied.

Income from donations and grants is included in incoming resources when these are receivable, except as follows:

- When donors specify that donations and grants given to the charity or its subsidiary undertakings must be used in future accounting periods, the income is deferred until those periods.
- When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until pre-conditions for use have been met.

Cogent Skills Limited

Notes to the financial statements for the year ended 31 December 2020 (continued)

1 Principal accounting policies (continued)

Deferred income

Income is deferred where funds are received in advance and the contract has only been partly completed at the balance sheet date. Income is released on a systematic basis in line with costs incurred.

Provisions

Provisions are recognised when the company has a present obligation as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred.

- Costs of generating funds comprise those costs incurred in attracting voluntary income and those incurred in trading activities that raise funds.
- Cost of charitable activities comprises those costs incurred by the charity in the delivery of its aims and objectives. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and board meeting expenditure.

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly whereas support costs are apportioned on a per capita basis.

Investments

Investments in subsidiary undertakings are included at cost except where provision is made against an identified impairment.

Intangible fixed assets

Intangible fixed assets are stated at cost less accumulated amortisation. The cost of intangible fixed assets is their purchase cost or transfer value, together with any incidental expenses of acquisition. Amortisation is calculated so as to write off the cost of intangible fixed assets, less their estimated residual values, on a straight line basis over the expected useful economic lives of the assets concerned, as follows:

Software	3-4 years
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The expected useful lives of the assets are reassessed periodically in the light of experience. Capital grants are deferred and released in line with the amortisation policy for the grant funded assets purchased.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. The cost of tangible fixed assets is their purchase cost or transfer value, together with any incidental expenses of acquisition. Depreciation is calculated so as to write off the cost of tangible fixed assets, less their estimated residual values, on a straight line basis over the expected useful economic lives of the assets concerned, as follows:

Plant and machinery	3-8 years
Grant funded assets	3-8 years
Fixtures and fittings	3-8 years
Computer equipment	3-4 years

The expected useful lives of the assets are reassessed periodically in the light of experience. Capital grants are deferred and released in line with the depreciation policy for the grant funded assets purchased.

Cogent Skills Limited operates a policy where items with a value below £500 are not capitalised whereas the consolidated subsidiary undertakings operate to a policy of where there is no minimum capitalisation value.

Cogent Skills Limited

Notes to the financial statements for the year ended 31 December 2020 (continued)

1 Principal accounting policies (continued)

Impairment

The company reviews tangible fixed assets and investments for impairment whenever events or changes in circumstances indicate that the carrying amounts may not be recovered. If the carrying amounts are not expected to be recovered by discounted future cash flows, the assets are impaired and an impairment loss recorded in the SOFA.

Cash held on behalf of third parties

Cash is held on behalf of third parties where the charity is legally bound to pay this cash to a third party and has no responsibility for its ultimate application. In these circumstances the transaction is legally a transfer of resources from the principal to the specified third party and the principal retains legal responsibility for ensuring the charitable application of the funds. The group is simply acting as an intermediary and therefore does not recognise these funds on the balance sheet.

Money market deposit

Money market funds are term deposits of 12 months or less with well known UK banking institutions with high credit ratings.

Leases

All leases are operating leases and are charged to the SOFA / income and expenditure account on a straight line basis over the lease term.

Irrecoverable VAT

All expenditure is classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of expenditure for which it was incurred.

Deferred taxation

The charity has been granted charitable status by the Inland Revenue and therefore is not liable for corporation tax. The charity's trading subsidiaries are liable for corporation tax.

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Reduced disclosures

In accordance with FRS 102, the group has taken advantage of the exemptions from the following disclosure requirement in the individual financial statements of Cogent Skills Limited:

- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flows and related notes and disclosures.
- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches; and details of hedges and hedging fair value changes recognised in profit or loss and in other comprehensive income.

Cogent Skills Limited

Notes to the financial statements for the year ended 31 December 2020 (continued)

1 Principal accounting policies (continued)

Employee benefits

The Group provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and defined benefit and defined contribution pension plans.

Short term benefits

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

Multi-employer pension plan

Cogent SSC Limited and Cogent (Telford) Limited participate in the ITB Pension Scheme, a multi-employer pension plan defined benefit scheme. The company is not legally responsible for the plan and does not have sufficient information to use defined benefit accounting. Where the plan is in deficit and where the entities have agreed with the plan to participate in a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the contributions payable under the agreement that relate to the deficit. Payments made to the Plan are offset against this creditor. Where there is a change in the value of the contributions to be paid to the Plan as a result of the deficit funding arrangement the change is recognised in the Statement of Financial Activities in the period in which the agreement is signed by both parties. The unwinding of the discount is recognised as a finance cost. Further pension details can be found in notes 16 and 19 to the financial statements.

From 1 April 2017 the remaining employees who participated in the defined benefit scheme were transferred into the defined contribution scheme for future service benefits.

Defined contribution pension plan

Cogent Skills Services Limited, Cogent Skills Training Limited and Science Industry Assessment Services Limited all participate in the defined contribution scheme of the ITB. The cost recognised in the SOFA is equal to the contributions payable for the year. The assets of the plan are held separately from the company in independently administered funds.

National Skills Academy for Nuclear Limited participate in a separate defined contribution pension scheme. The cost recognised in the SOFA is equal to the contributions payable for the year. The assets of the plan are held separately from the company in independently administered funds.

Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Trade and other debtors and creditors are initially recognised at transaction value and subsequently measured at their settlement value.

Other loans are initially recognised at their transaction value and subsequently measured at amortised cost using the effective interest rate method.

Cash and cash equivalents are basic financial instruments and include cash in hand, deposits held at call with banks.

Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The Trustees consider that there are no material sources of estimation uncertainty.

Cogent Skills Limited

Notes to the financial statements for the year ended 31 December 2020 (continued)

1 Principal accounting policies (continued)

Critical areas of judgement

Debtor provision

A provision for bad and doubtful debts is established when there is objective evidence that the amounts due will not be collected in line with the usual fee collections.

Useful life of fixed assets

In making decisions regarding the depreciation of tangible fixed assets, management must estimate the useful life of these assets to the group. A change in estimate would result in a change in the depreciation charged to the statement of total comprehensive income in each year.

Coronavirus Job Retention Scheme (CJRS) income

The CJRS grant is receivable as compensation for staff costs incurred and for the purpose of giving immediate financial support to the organisation with no future related costs. It is recognised as income in the period in which it becomes receivable within 'Other trading activities' (note 3).

Cogent Skills Limited

Notes to the financial statements for the year ended 31 December 2020 (continued)

2 Commercial trading operations and investments in trading subsidiaries

The charity has six wholly owned trading subsidiaries Cogent SSC Limited, Cogent (Telford) Limited, National Skills Academy for Nuclear Limited (“NSAN”), Cogent Skills Training Limited (“CST”), Cogent Skills Services Limited (“CSS”) and Science Industry Assessment Service Limited (“SIAS”) which are incorporated in the UK.

Income and expenditure accounts

	Cogent Skills Limited £'000	Cogent SSC Limited £'000	Cogent Telford Limited £'000	NSAN £'000	CST £'000	CSS £'000	SIAS £'000	Inter Co Elim £'000	Total 2020 £'000
Income	-	1,316	58	1,212	1,169	5,628	1,266	(318)	10,331
Expenditure	-	(1,495)	(58)	(1,145)	(1,133)	(5,520)	(1,113)	318	(10,146)
Surplus/(deficit) for the financial year before interest and taxation	-	(179)	-	67	36	108	153	-	185
Interest receivable	-	-	-	2	-	-	-	-	2
Surplus/(deficit) for the financial year before taxation	-	(179)	-	69	36	108	153	-	187
Taxation on Surplus/(deficit)	-	-	-	55	-	-	(5)	-	50
Surplus/(deficit) for the financial year	-	(179)	-	124	36	108	148	-	237

Taxation on Surplus/(deficit)	2020 £'000	2019 £'000
Current tax:		
UK corporation tax on Surplus/(deficit) for the year	(50)	(1)
Deferred tax:		
Origination and reversal of timing differences	-	-
Taxation on Surplus/(deficit)	(50)	(1)

Cogent Skills Limited

Notes to the financial statements for the year ended 31 December 2020 (continued)

2 Commercial trading operations and investments in trading subsidiaries (continued)

Income and expenditure accounts

	Cogent Skills Limited £'000	Cogent SSC Limited £'000	Cogent Telford Limited £'000	NSAN £'000	CST £'000	CSS £'000	SIAS £'000	Inter Co Elim £'000	Total 2019 £'000
Income	-	2,371	53	1,061	1,770	5,565	88	(389)	10,519
Expenditure	-	(2,258)	(53)	(1,073)	(1,979)	(5,385)	(86)	389	(10,445)
Surplus/(deficit) for the financial year before interest and taxation	-	113	-	(12)	(209)	180	2	-	74
Interest receivable	-	1	-	3	-	-	-	-	4
Surplus/(deficit) for the financial year before taxation	-	114	-	(9)	(209)	180	2	-	78
Taxation on Surplus/(deficit)	-	-	-	-	1	-	-	-	1
Surplus/(deficit) for the financial year	-	114	-	(9)	(208)	180	2	-	79

Cogent Skills Limited

Notes to the financial statements for the year ended 31 December 2020 (continued)

2 Commercial trading operations and investments in trading subsidiaries (continued)

The Charity is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

The tax assessed for the year is different to the standard effective rate of corporation tax in the UK for the year ended 31 December 2020 of 19% (2019: 19%). The differences are explained below:

	Cogent Telford Limited £'000	NSAN £'000	CST £'000	CSS £'000	SIAS £'000	Total 2020 £'000	Total 2019 £'000
Surplus/(deficit) for the financial year before taxation	-	69	36	108	153	366	(36)
Surplus/(deficit) for the financial year at standard tax rate in the UK of 19% (2019: 19%)	-	13	7	21	29	70	(8)
Effects of:							
Losses (utilised)	-	(13)	(7)	(21)	(24)	(65)	(34)
Losses not utilised	-	-	-	-	-	-	41
R&D Tax credit	-	(55)	-	-	-	-	-
Current tax for the year	-	(55)	-	-	5	(50)	(1)

Factors affecting future tax charges

The rate of UK corporation tax will remain at 19% from April 2021.

The assets and liabilities of the subsidiaries at 31 December 2020 were:

	Cogent SSC Limited £'000	Cogent Telford Limited £'000	NSAN £'000	CST £'000	CSS £'000	SIAS £'000	Total £'000
Fixed assets	27	-	9	14	12	4	66
Current assets	1,979	1	1,228	456	1,356	501	5,521
Creditors: amounts falling due within one year	(968)	(234)	(851)	(209)	(1,484)	(116)	(3,862)
Creditors: amounts falling after more than one year	(15)	-	-	(411)	-	(225)	(651)
Net (liabilities) / assets	1,023	(233)	386	(150)	(116)	164	1,074

Cogent Skills Limited

Notes to the financial statements for the year ended 31 December 2020 (continued)

3 Other trading activities

	2020 £'000	2019 £'000
Course & consultancy sales	585	733
ATA – Fee income	913	904
ATA – recharge of employment costs	4,409	4,413
CJRS grant	312	-
Other sales	1,059	1,514
	7,278	7,564

4 Investment income

	2020 £'000	2019 £'000
Bank deposit income	2	4

5 Charitable activities

	2020 £'000	2019 £'000
Government and other grants	256	552
Membership fees	1,116	1,245
End Assessments	1,257	1,140
Other income	424	18
	3,053	2,955

Cogent Skills Limited

Notes to the financial statements for the year ended 31 December 2020 (continued)

6 Analysis of expenditure

	Research, policy and engaging with employers £'000	Occupational standards, education and qualifications £'000	Governance costs £'000	Cogent (Telford) Limited £'000	National Skills Academy for Nuclear Limited £'000	Cogent Skills Training Limited £'000	Cogent Skills Services Limited £'000	Science Industry Assessment Service Limited £'000	Intercompany Elimination £'000	Total 2020 £'000
Cost directly allocated to activities										
Salaries and other staff costs	634	189	-	-	535	-	4,506	-	-	5,864
Specific projects	228	75	-	-	139	340	90	313	(260)	925
Other costs	36	-	-	-	-	-	-	-	-	36
	898	264	-	-	674	340	4,596	313	(260)	6,825
Support costs										
Salaries and other staff costs	76	75	-	58	250	528	722	305	472	2,486
Marketing and communications	1	1	-	-	2	3	1	4	-	12
Premises costs	16	16	-	-	36	74	37	22	-	201
Other costs	69	66	13	-	127	188	164	474	(530)	572
Loss on disposal of fixed assets	-	-	-	-	-	-	-	-	-	-
	162	158	13	58	416	793	924	805	(58)	3,271
Total expenditure	1,060	422	13	58	1,090	1,133	5,520	1,118	(318)	10,096

The support costs have been allocated on a per capita basis.

Other costs in the table above include a taxation credit of £50,000 (2019: £1,000) which is disclosed separately for the purpose of the consolidated income and expenditure account on page 20.

Cogent Skills Limited

Notes to the financial statements for the year ended 31 December 2020 (continued)

6 Analysis of expenditure (continued)

The comparative numbers for 2019 are:

	Research, policy and engaging with employers £'000	Occupational standards, education and qualifications £'000	Governance costs £'000	Cogent (Telford) Limited £'000	National Skills Academy for Nuclear Limited £'000	Cogent Skills Training Limited £'000	Cogent Skills Services Limited £'000	Science Industry Assessment Service Limited £'000	Intercompany Elimination £'000	Total 2019 £'000
Cost directly allocated to activities										
Salaries and other staff costs	264	704	-	-	528	-	4,414	86	(86)	5,913
Specific projects	297	267	-	-	84	786	134	-	(250)	1,318
Other costs	29	58	-	-	-	-	-	-	-	87
	593	1,029	-	-	612	786	4,548	86	(336)	7,318
Support costs										
Salaries and other staff costs	156	271	-	53	268	852	651	-	(53)	2,198
Marketing and communications	1	1	-	-	8	11	7	-	-	28
Premises costs	24	41	-	-	42	75	37	-	-	219
Other costs	42	72	28	-	143	254	142	-	-	681
Loss on disposal of fixed assets	-	-	-	-	-	-	-	-	-	-
	223	385	28	53	461	1,192	837	-	(53)	3,126
Total expenditure	816	1,414	28	53	1,073	1,978	5,385	86	(389)	10,444

The support costs have been allocated on a per capita basis.

Cogent Skills Limited

Notes to the financial statements for the year ended 31 December 2020 (continued)

7 Net incoming resources

	2020 £'000	2019 £'000
Net incoming resources is stated after charging:		
Amortisation of intangible fixed assets – owned	28	26
Depreciation of tangible fixed assets – owned	22	20
Auditors' remuneration: audit services	35	26
: other services	-	4
Operating lease rentals – plant and machinery	-	-
Operating lease rentals – other	135	135

8 Trustees' emoluments

Three trustees (2019: two) received aggregate emoluments of £253,354 (2019: £271,726) including pension contributions of £12,401 (2019: £13,479) during the year for their services as employees, in accordance with the articles of the charity. No trustees (2019: nil) have received reimbursement (2019: £nil) for travel and subsistence expenses. Professional indemnity insurance, which cost the charity £3,023 (2019: £4,798) is in place with a limit of £2 million.

9 Employee information

The monthly average number of persons employed by the group (including directors) during the year is analysed below:

	2020 Number	Group 2019 Number	2020 Number	Company 2019 Number
Administration	73	72	-	-

Cogent Skills Limited

Notes to the financial statements for the year ended 31 December 2020 (continued)

9 Employee information (continued)

	Group		Company	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Employee costs in relation to the above employees				
Wages and salaries	3,010	2,982	-	-
Social security costs	308	303	-	-
Other pension costs	196	194	-	-
	3,514	3,479	-	-

The group pension costs and number of higher paid employees to whom retirement benefits are accruing under defined contribution and defined benefit schemes are shown in the table below.

Salaries and benefits	2020 Pension costs £'000	2020 Number	2019 Number
£60,000 - £70,000	27	5	4
£70,001 - £80,000	17	3	1
£80,001 - £90,000	11	2	1
£90,001 - £100,000	5	1	1
£100,001 - £110,000	10	1	1
£170,001 - £180,000	-	-	1

Remuneration of key management personnel

The total remuneration, including employer's national insurance and pension contributions, of key management personnel of the group for the year was £744,803 (2019: £730,151). Key management personnel comprise of the executive directors and the senior management team.

Cogent Skills Limited

Notes to the financial statements for the year ended 31 December 2020 (continued)

10 Intangible assets

Group	Computer software £'000	Total £'000
Cost		
At 1 January 2020	499	499
Additions	-	-
Disposals	-	-
At 31 December 2020	499	499
Accumulated depreciation		
At 1 January 2020	448	448
Charge for year	28	28
Disposals	-	-
At 31 December 2020	476	476
Net book value		
At 31 December 2020	23	23
At 31 December 2019	51	51

11 Tangible assets

Group	Fixtures and fittings £'000	Computer equipment £'000	Total £'000
Cost			
At 1 January 2020	101	254	355
Additions	5	19	24
Disposals	(31)	(35)	(66)
At 31 December 2020	75	238	313
Accumulated depreciation			
At 1 January 2020	96	218	314
Charge for year	2	20	22
Disposals	(31)	(35)	(66)
At 31 December 2020	67	203	270
Net book value			
At 31 December 2020	8	35	43
At 31 December 2019	5	36	41

Cogent Skills Limited

Notes to the financial statements for the year ended 31 December 2020 (continued)

12 Investments

Interests in subsidiary undertakings

Details of subsidiary undertakings held at £nil carrying value are as follows:

Name of company, company registration number and address of incorporation and operation	Description of shares held	Proportion of nominal value of issued shares	Principal activity
Cogent SSC Limited (SC129351) Blue Square House, 272 Bath Street, Glasgow Scotland, G2 4JR (Charity Number SC003435)	Ordinary	100%	Education and training
Cogent (Telford,) Limited (SC130214) Blue Square House, 272 Bath Street Glasgow, Scotland, G2 4JR	Ordinary	100%	Administration services
National Skills Academy for Nuclear Limited (06423637) The Base, Dallam Lane, Warrington, England, WA2 7NG	Ordinary	100%*	Education and training
Cogent Skills Training Limited (06430341) Unit 5, Mandarin Court, Centre Park, Warrington, Cheshire, England, WA1 1GG	Ordinary	100%*	Education and training
Cogent Skills Services Limited (07806185) Unit 5, Mandarin Court, Centre Park, Warrington, Cheshire, England, WA1 1GG	Ordinary	100%*	Promotion of Technical Apprenticeships
Science Industry Assessment Service Limited (09396974) Unit 5, Mandarin Court, Centre Park, Warrington, Cheshire, England, WA1 1GG	Ordinary	100%	Administration services

*These subsidiary undertakings are limited by guarantee and the company is the sole subscriber.

13 Debtors

	Group		Company	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Trade debtors	1,724	1,973	-	-
Other debtors	57	20	-	-
Prepayments and accrued income	329	596	-	18
	2,110	2,589	-	18

Cogent Skills Limited

Notes to the financial statements for the year ended 31 December 2020 (continued)

14 Creditors: amounts falling due within one year

	Group		Company	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Trade creditors	229	393	-	-
Amounts owed to group undertakings	-	-	145	145
Taxation and social security	868	495	-	-
Bank Loan	15	-	-	-
Other creditors	19	154	-	-
Accruals	949	1,233	-	18
Deferred income	1,218	876	-	-
	3,298	3,151	145	163

Deferred income comprises contract income received in advance of contract outputs delivered.

	Group	Company
	£'000	£'000
Balance as at 1 January 2020	876	-
Amount released from previous years	(876)	-
Incoming resources deferred in year	1,218	-
Balance as at 31 December 2020	1,218	-

The group balance above includes £1,218,000 (2019: £876,000) of amounts falling due within one year and £nil (2019: £nil) of amounts falling due after more than one year.

15 Creditors: amounts falling due after one year

	Group		Company	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Rent and dilapidations	17	32	-	-
Bank Loan	225	-	-	-
	242	32	-	-

Cogent Skills Limited

Notes to the financial statements for the year ended 31 December 2020 (continued)

16 Borrowings

During the year SIAS received a £240,000 loan through the Coronavirus Business Interruption Loan Scheme (CBILS) to help offset the impact on cash flows affected by the pandemic. SIAS accessed the bank loan in September 2020, interest is charged at 2.48% above the Bank of England base rate. The UK government guarantees 80% of the finance to the lender and pays interest and any fees for the first 12 months, after this SIAS is liable for all interest payments for the remaining five years of the loan.

17 Post employee benefits

The movements in the liability during the year were as follows:

Group	2020 £'000	2019 £'000
At 1 January	-	248
Utilised during the year	-	(182)
Movement in the liability recognised in the Statement of Financial Activities	-	(66)
At 31 December 2020	-	-

Refer to note 20 for further information.

18 Members' liability

Members' liability is limited by guarantee not exceeding £10 per member (7 members) (2019: 7 members).

19 Commitments

At 31 December 2020 the group had total commitments under non-cancellable operating leases expiring as follows:

	2020 Land and buildings £'000	2019 Land and buildings £'000	2020 Other £'000	2019 Other £'000
Within one year	32	32	-	-
Within two to five years	88	88	3	3
	120	120	3	3

The group has capital commitments of £nil as at 31 December 2020 (2019: £nil) of which the company's capital commitments are £nil (2019: £nil).

Cogent Skills Limited

Notes to the financial statements for the year ended 31 December 2020 (continued)

20 Pensions

Cogent SSC Limited and Cogent (Telford) Limited participate in the ITB Pension Scheme, a multi-employer pension plan defined benefit scheme. The employers share the actuarial risks associated with all employees and former employees. The company is not legally responsible for the plan and does not have sufficient information to use defined benefit accounting.

With the introduction of FRS102 the liability, being the present value of future contributions agreed under a deficit reduction plan, is now incorporated into the statutory accounts with the repayments under the recovery plan reducing our liability on the balance sheet as opposed to being expensed through the income and expenditure account. The Scheme's liabilities are revalued triennially and a revised deficit funding arrangement is agreed following the completion of this valuation. Changes to the provision as a result of a new agreement being made are charged to the Statement of financial activities and income and expenditure account when the agreement is signed by both parties.

The latest triennial review of the scheme was at 31 March 2019. Since the 2016 valuation, the fund has insured the majority of pensioner liabilities through a number of buy-in policies. The buy-ins have changed the fund's risk profile and funding position significantly since the 2016 valuation. As a result, there were a number of changes made to the 2016 funding principles and assumptions.

The pre and post retirement discount rate is gilt yield curve plus 0.15% with RPI implied by gilt yield curves. The nominal gilt yield curve is taken to be the annually compounded redemption yield using gilt yield curves published by the Bank of England as at the effective date of the valuation minus an allowance for an inflation risk premium (taken to be 0.25% a year given market conditions on the effective date of the valuation).

The expected return on the assets (excluding buy-in policies) was the redemption yield on gilts plus 0.5% as at 31 March 2019. It was also assumed pensions would increase in line with RPI with a limitation placed on the increase ranging from 2.5% - 5%.

At the review date, the actuarial value of the assets of the scheme was £507.2 million and the value of liabilities was £485.9 million, leaving a surplus of £21.3 million representing a funding level of 104% (2016 101%). The next formal actuarial valuation is due at 31 March 2022. The solvency position is equivalent to a funding level of 87% (2016:77%).

The deficit recovery plan in operation with the ITB pension fund trustees was completed during 2019 and the 2020 financial statements include pension deficit recovery payments of £nil (2019: £182,000), an investment charge of £nil (2019: £20,000) and a pension revaluation surplus of £nil (2019: £86,000).

The total pension cost for the group excluding the investment charge was £196,000 (2019: £194,000). This includes £18,000 (2019: £12,000) outstanding contribution at the balance sheet date. The contributions rate payable by the group was up to 8.35%.

CSS, CST, SIAS and NSAN operate defined contribution pension schemes.

21 Unrestricted income funds

	Group	Company
	£'000	£'000
At 1 January 2020	929	-
Surplus for the financial year	237	-
At 31 December 2020	1,166	-

Cogent Skills Limited

Notes to the financial statements for the year ended 31 December 2020 (continued)

22 Reconciliation of movements in members' funds

	Group		Company	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Surplus/(deficit) for the year	237	79	-	-
Opening members' funds	929	850	-	-
Closing members' funds	1,166	929	-	-

23 Related party transactions

During the year Cogent Skills Limited entered into no transactions with its subsidiaries (2019: none).

24 Net cash inflow\ (outflow) from operating activities

Group	Note	2020 £'000	2019 £'000
Net income		187	80
Investment income	4	(2)	(4)
Depreciation and amortisation		50	46
Decrease in debtors		529	134
Increase\ (decrease) in creditors		357	(839)
Taxation		-	(1)
Net cash inflow\ (outflow) from operating activities		1,121	(584)

25 Analysis of net cash

Group	At 1 January 2020 £'000	Cash flow £'000	At 31 December 2020 £'000
Cash at bank and in hand	981	949	1,930
Money market deposits	450	150	600
	1,431	1,099	2,530

Cogent Skills Limited

Notes to the financial statements for the year ended 31 December 2020 (continued)

26 Analysis of net debt

	At 1 January 2020 £'000	Cash flow £'000	At 31 December 2020 £'000
Group			
Cash at bank and in hand	981	949	1,930
Money market deposits	450	150	600
	1,431	1,099	2,530
Borrowings			
Loans falling due within one year	-	(15)	(15)
Loans falling due after more than one year	-	(225)	(225)
Total	1,431	859	2,290

27 Controlling party

The charity has 7 (2019: 7) members representing the science based industries covering industrial sciences (including petroleum refining and distribution, chemical manufacturing, and polymers), life sciences (including pharmaceuticals and medical technologies) and nuclear (see note 18). The trustees do not consider there to be a controlling party on the basis that each of the members has equal voting rights. Cogent Skills Limited is the only company to consolidate these results.

28 Financial instruments

	Group	
	2020 £'000	2019 £'000
Financial assets		
Measured at amortised cost	4,254	3,404

	Group	
	2020 £'000	2019 £'000
Financial liabilities		
Measured at amortised cost	229	393